

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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RIF LINE INTERNATIONAL SpA,	:	
	:	
Petitioner,	:	
	:	24-cv-3248(MMG)
v.	:	
	:	
INTEGR8 FUELS PTE LTD.,	:	
	:	
Respondent.	:	
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**DECLARATION OF DUNCAN McGREGOR**

I, Duncan McGregor, declare under penalty of perjury that the following statement is true and correct:

1. At all times relevant hereto, I was a Credit Manager of the Respondent, Integr8 Fuels Pte Ltd. (“Integr8” or “Respondent”).
2. I have personal knowledge of the facts recited herein and am competent to testify thereto if called upon to do so.
3. I have reviewed the Declaration of Mr. Francesco Isola in support of RIF Line International SpA’s Petition to Enjoin Arbitrations.
4. In connection with my role at Integr8, I was jointly responsible for evaluating the credit-worthiness of both Rif Line International SpA (“Rif Line”) and its subsidiary Kalypso Compagnia di Navigazione SpA (“Kalypso”) and I was partially responsible for attempting to collect payment from RIF Line and/or Kalypso.
5. Attached hereto are true and accurate copies of the following documents:
  - a. Exhibit A – Bunker confirmations and invoices naming “Kalypso Compagnia di Navigazione SpA and/or Rif Line International SpA” as the buyers.

- b. Exhibit B – Luca Scagliarini’s email dated February 11, 2022 with the reference “Rif International / Kalypso” in which he described Kalypso’s recent incorporation and in which he offers a “Patronage Letter” in favor of Kalypso with RIF Line remaining joint and several guarantor of Kalypso’s obligations;
- c. Exhibit C – Francesco Isola’s March 29, 2023 email in which he, as Managing Director of RIF Line, sent payment to Integr8 for outstanding bunkers.
- d. Exhibit D – Francesco Isola’s January 27, 2023 email in which he, as Managing Director of RIF Line, provided financial statements for RIF Line, Kalypso, and RIF Line Italy.
- e. Exhibit E – Kalypso’s Fiscal Year 2022 Report (translated from Italian).
- f. Exhibit F – October 22, 2022 article from Shipping Italy titled “*Rif Line confirms the first purchase of a ship for Kalypso.*”
- g. Exhibit G – A screen capture of the “Management” page of Kalypso’s website showing Luca Scagliarini as Kalypso’s fleet manager.
- h. Exhibit H – Luca Scagliarini’s LinkedIn profile listing him as fleet manager for RIF Line.
- i. Exhibit I – November 2, 2022 email from Mr. Scagliarini with the reference “Rif International / Kalypso” – describing the transfer of “maritime shipping activities” from RIF Line to Kalypso.
- j. Exhibit J – November 2, 2022 press release from law firm Watson Farley & Williams identifying Rif Line as corporate parent of Kalypso.

- k. Exhibit K – May 5, 2023 article from The Loadstar identifying RIF Line as having established Kalypso and ultimately having withdrawn the services being provided by Kalypso.
- l. Exhibit L – December 27, 2023 article from the Maritime Executive identifying RIF Line as having “launched” Kalypso.
- m. Exhibit M – January 5, 2023 email from Luca Scagliarini directing bunker suppliers, including Integr8, to (1) send updated statement of account for all “fixed deal with us (Rif & KCN)”;
- n. Exhibit N – January 9, 2024 article from Tradewinds indicating RIF Line’s Mr. Isola as having confirmed that Kalypso was being wound up, after RIF Line initiated the voluntary winding up procedure for Kalypso.
- o. Exhibit O – March 29, 2023 email from Victoria Macgregor to Mr. Scagliarini (at his RIF Line email), Mr. Isola (at his RIF Line email) and other RIF Line employees forwarding copies of invoices for fuel supplied by Integr8 to three vessels naming the buyer as “Kalypso Compagnia di Navigazione SpA and/or RIF International SpA.”
- p. Exhibit P – Settlement Agreement between RIF Line International SPA and INTEGR8 FUELS PTE LTD.
- q. Exhibit Q – October 30, 2023 emails between RIF Line’s accounting department and Integr8’s revenue control department regarding the unpaid bunker invoices at issue here.

- r. Exhibit R – October 30, 2023 Statement of Accounts sent to RIF Line’s accounting department.
6. Prior to Kalypso’s incorporation, Integr8 had supplied RIF Line with bunkers for its various ships. Those bunkers were ordered by Luca Scagliarini, RIF Line’s Fleet Manger. *See* Ex. H.
  7. Integr8 had originally extended RIF Line a 30-day line of credit for it to make payment for bunkers that Integr8 supplied it, which was extended to 60 days for one transaction before RIF Line switched its shipping operations to Kalypso.
  8. Integr8 would not have agreed to extend any credit to Kalypso given that it was a new company, and that it was entirely logical to issue the bunker confirmations to Kalypso and/or RIF Line as the customer relationship was more or less the same and Integr8 was relying on RIF Line’s creditworthiness, as the parent of Kalypso, as joint and several buyer. This is a normal way of doing business for Integr8.
  9. At all times Integr8 understood Kalypso to be a direct subsidiary created by RIF Line to take over RIF Line’s vessel chartering and vessel operation activities. *See, e.g.*, Exs. B, D, I, J, K, L, M and N.
  10. Beginning in late October of 2022, all bunker confirmations and invoices issued by Integr8 identified the buyer as “Kalypso Compagnia di Navigazione SpA and/or Rif Line International SpA.” At no point between October of 2022 and December 31, 2023, did anyone acting on behalf of either RIF Line or Kalypso object to both parties being named as the buyer in the bunker confirmations.
  11. On January 5, 2023, Luca Scagliarini, from his Kalypso email and with a copy to his RIF Line email, instructed all bunker sellers that “have fixed deal with us (Rif & KCN)” are to

provide an updated statement of account to various individuals at RIF Line. *See* Ex. M. In this same email, Mr. Scagliarini instructed all bunker sellers to send all future invoices to the various RIF Line email addresses. *Id.*

12. By January of 2023, Kalypso and/or RIF Line had accumulated approximately \$2,000,000.00 in credit that Integr8 had extended to them.
13. In January of 2023, Mr. Isola volunteered to send Integr8 the financial statements contained in Exhibit D. Mr. Isola sent the financial statements to assuage Integr8's concerns over RIF Line and/or Kalypso's ever-growing credit exposure.
14. As reflected in Kalypso's Annual Report (*see* Ex. E), that we obtained from the Italian Chambers of Commerce, Kalypso's auditors stated: "On the basis of the foregoing, ***and taking into account the financial support guaranteed by the parent company***, the administrative body deemed it reasonable to prepare the Company's financial statements as at 31 December 2022 on the basis of the assumption of business continuity." The Annual Report goes on to state:

Liquidity risk

Liquidity risk represents the risk that available financial resources may be insufficient to cover maturing obligations. Kalypso SpA believes it has access to sufficient sources of financing to satisfy its planned financial needs, taking into account its ability to generate cash flows, diversification of financing sources and ***the availability of credit lines also with the help of other companies in the Rif Line Group and the parent company Rif Line International SpA.***"

*See* Ex. E (doc. p. 14 / pdf p. 15 and doc. p. 36 / pdf p. 37). The report also provides that Kalypso “is subject to the management and coordination of the parent company Rif Line International SpA.” *Id.* (doc. p. 37 / pdf p. 38)

15. In March of 2023, Integr8’s internal legal counsel, Victoria Macgregor, contacted Messrs. Isola and Scagliarini, at their RIF Line email addresses, reminding them of RIF Line’s and/or Kalypso’s unpaid invoices, and setting out three different Integr8 sale transactions identifying “Kalypso Compagnia di Navigazione SpA and/or RIF International SpA” as joint “buyer.” *See* Ex. O. RIF Line never objected to being designated as a buyer on Integr8’s Bunker Confirmations, and neither Mr. Scagliarini nor Mr. Isola ever disputed that RIF Line was a party to the transactions.
16. In response to Ms. Macgregor’s email, Mr. Isola, writing from his RIF Line email address, provided Integr8 with payment confirmation in the sum of \$510,628.22 towards the total balance due under Integr8’s invoices IFPL10318 and IFPL109549. *See* Ex. C.
17. On October 18, 2023, Giuseppe Azzena, a bunker trader at Integr8, and myself met virtually with Francesco Isola regarding RIF Line and Kalypso’s unpaid invoices. During this meeting, we discussed RIF Line guaranteeing payment for the unpaid invoices and Mr. Isola said he did not see any reason why RIF Line would not do so.
18. On October 30, 2023, Integr8’s revenue control department sent a Statement of Accounts to RIF Line’s accounting department and Mr. Scagliarini, at his RIF Line email address. *See* Exs. Q and R. In response, Ms. Mirella Baraldi, on RIF Line’s behalf, responded “thank you for your SOA, as soon as possible we will give you information about the payment. sorry for the delay.” *See* Ex. Q. From Ms. Baraldi’s email, it is evident that on October 30, 2023, RIF Line intended to pay these unpaid invoices.

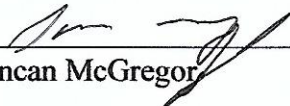
19. The vast majority of Integr8's dealings with Kalypso and/or RIF Line were through mainly Mr. Scagliarini and Mr. Isola and via their respective RIF Line email address. *See* Exs. A, B, C, D, I, M, O, Q and R.

20. On information and belief, RIF Line appears to have purchased the M/V BURGUNDY with the intention of having Kalypso operate the ship under a bareboat charter party from the bank that financed its acquisition, and Kalypso then sub-chartered the Vessel back to RIF Line.

21. On or about January 18, 2024, in consideration of Integr8 having sought to arrest bunkers on board the M/V BURGUNDY in Greece, the parties entered a Settlement Agreement pursuant to which RIF Line paid Integr8 the sum of USD 350,000 in respect of amounts due to Integr8 under bunker confirmations naming Kalypso and/or RIF Line as buyer. *See* Ex. P.

The foregoing is true and correct under penalty of perjury of the laws of the United States of America pursuant to 28 U.S.C. § 1746.

May 27, 2024

  
Duncan McGregor